
PROCEEDINGS OF THE BROWN COUNTY HARBOR COMMISSION

A meeting was held on Monday, **JULY 20, 2009**, 11:00AM
at Holiday Inn – City Centre, Green Bay, WI.

The meeting was officially called to order by President McKloskey at 11:00AM.

1) Roll Call:

Present: President Neil McKloskey
Vice-President Tom Van Drasek
Commissioner John Gower (arrived at 11:43am)
Commissioner Ron Antonneau (arrived at 11:35am)
Commissioner Hank Wallace
Commissioner Bill Martens
Commissioner John Hanitz

Excused: Commissioner Bernie Erickson

Also Present: Charles Larscheid, Brown County Port & Solid Waste
Dean Haen, Brown County Port & Solid Waste
Terry Peterson, STS

2) Approval/Modification – Meeting Agenda

A motion to approve the meeting agenda was made by Tom Van Drasek and seconded by Hank Wallace. Unanimously approved.

3) Approval/Modification – June 8, 2009 Meeting Minutes

A motion to approve the June 8, 2009 meeting minutes, with the change of Agenda Item #4 reading ...“Cat Island Chain” and noting that Commissioner Gower arrived at 11:40am, was made by Hank Wallace and seconded by Bill Martens. Unanimously approved.

4) Annual Election of Officers – President & Vice-President

A nomination of Tom Van Drasek for Vice-President was made by Bill Martens and seconded by John Hanitz. Hank Wallace requested nominations be closed for Vice-President and President. Unanimously approved.

A nomination of Neil McKloskey for President was made by Hank Wallace and seconded by John Hanitz.

A motion to close the nominations was made by Tom Van Drasek and seconded by Bill Martens. Cast and demand ballot was made by Hank Wallace and seconded by John Hanitz Unanimously approved.

5) Strategic Plan Subcommittee – Update

Manager Haen provided information on the progress made by the subcommittee on the Strategic Plan. The subcommittee consisting of Commissioners Dickman, Gower, Wallace, and Van Drasek met on June 29. The subcommittee anticipates having the Plan

reviewed and updated by January 2010. Commissioner Dickman recommended 3 strategies in order to move through the Plan efficiently; 1) assessment, 2) purpose, and 3) themes. The subcommittee will meet monthly with the next meeting scheduled on July 27th at 11AM. Haen welcomed any comments from the Commission on the Strategic Plan. The subcommittee feels the current Plan is text heavy and needs to be simplified. A monthly update will be provided to the Commission as well as a rough draft copy before any final decisions are made. Commissioner Wallace suggested the subcommittee address effective communication between the Brown County Harbor Commission and the City of Green Bay. The Commission agreed that one of the seats on the Harbor Commission should be held by a City of Green Bay representative.

6) Foreign Trade Zone (FTZ) Operations Agreement – Request for Approval

Commissioner Martens questioned the reasoning for the wording in Item 13.8. Manager Haen stated this is federal language which cannot be changed. Manager Haen explained to the Commission how the Foreign Trade Zone functions. The Port of Green Bay/Brown County is the Administrator of FTZ #167. The FTZ was created in the 90's as an economic development tool. The FTZ has general zone properties which are located around the airport. A few years ago an area was created around Whitman Field in Oshkosh as a general zone. To date, there have been no general zone activities. Haen noted that where the trade zone has been successful is in subzones (Polaris Industries, Osceola; Robins Manufacturing, Hudson; and Sargento in Plymouth). The current request is for a subzone agreement with Marinette Marine in Marinette Wisconsin. This new subzone will be Subzone #167B with a term of 5 years and a 5-year renewal. The agreement has a 120-day cancellation notice by either party. Haen noted there are fees associated with being in the FTZ, however since Marinette Marine is an economically volatile industry, the agreement was written to allow more flexibility than with the other subzones. A FTZ allows companies to bring in foreign components and send them out as if the commodities were never in the U.S., eliminating or reducing tariffs. Another benefit is the ability to hold inventory without paying duty on it until it is a finished product. The agreement has been reviewed by Brown County Corporation Counsel. One thing Haen noted was that, if approved, the agreement will not be signed until Marinette Marine indicates they want to become active.

Haen estimated approximately 30 hours per year is required to complete the necessary paperwork for the FTZ. Brown County is responsible for any problems/issues concerning the FTZ. The agreement also requires County Board and PD&T approval.

A motion was made by Hank Wallace and seconded by Tom Van Drasek to approve the Foreign Trade Zone Operations Agreement. Unanimously approved.

7) Cat Island Chain Project – Update

Manager Haen referred to information in the agenda packet on the NOAA Grant. Brown County had applied for the Coastal Marine Habitat Restoration Grant requesting \$19M but unfortunately was unsuccessful. A total of 814 applications were submitted to NOAA and only 6% were approved. Only three Great Lakes projects received money.

Haen indicated the HAP grant will now be pursued. Haen noted the local cost share cannot be met without some type of grant funding. To date the U.S. Army Corps of Engineers (USACE) has not approved the DMMP at their division level. Haen has scheduled a meeting on August 20th at 11AM with the terminal operators to discuss the harbor fee including the Strategic Communication Plan. Any harbor fees collected from the terminal operators would be committed to the State program for Cat Island for dredge material. Haen stated a copy of the letter sent to the terminal operators would be sent to the Harbor Commissioners and that they are welcome to attend.

8) 2010 Budget – Request for Approval

Director Larscheid indicated the P&SW 2010 Budget is due downtown by July 24th. Larscheid noted the State is cutting back on shared revenues which fund the tax levy-type departments. The County is currently under a tax levy freeze which means it cannot go above 3%. It does not affect the P&SW Department since it is an enterprise fund and is not dependent on the tax levy.

Larscheid reviewed indirect costs, salaries, information services chargebacks, etc., and how they affect the Port budget. The budget submitted may be changed by the County Executive, PD&T or the County Board. Manager Haen went through the line items which had changed significantly and answered questions. Haen noted that an additional \$100,000 was just added to Contracted or Professional Services to cover Fox River litigation costs (the draft budget in the agenda packet showed \$25,000). Other Miscellaneous Revenue went up \$80,000 due to insurance reimbursement of 80% on legal fees (the draft budget in the agenda packet showed \$10,000). Haen noted that tipping fees have been adjusted down based on tonnage.

Manager Haen explained that some of the numbers shown on the draft budget which were questioned by the Commission are determined downtown. The Commission requested that in the future a brief explanation from downtown accompany these numbers.

Commissioner Hanitz asked when the causeway right-of-way for Renard Island would go in. Manager Haen indicated the USACE is still working on design and cost estimates.

Haen reviewed the expenditures to prepare for Cat Island, indicating that this item is now in the budget in order to allow Brown County to be ready to financially commit to the cooperative agreement with the USACE. Discussion ensued with Manager Haen answering all questions from the Commission.

A motion to adopt the budget as given to the Commission was made by Hank Wallace and seconded by Ron Antonneau. Unanimously approved.

9) Director's Report

- *School Curriculum*

Manager Haen provided a visual on the 4th and 8th grade curriculums. A copy was given to each Commissioner. A complete plan will be ready by next month. Haen worked with the International School in DePere, who will be the pilot class.

- *Dredging Dollars*

Due to efforts by Senator Kohl, the Port received an additional \$3M for dredging, bringing the total to \$6.4M.

- *WCPA Annual Meeting*

This year's annual Wisconsin Commercial Ports Association meeting will be held in Sturgeon Bay on August 26 & 27. An agenda packet/invite will be sent to the Commissioners.

- *Navigation vs. environmental dredging*

Manager Haen received notification two weeks ago that the Fox River Cleanup Project was going to cap in the channel. Plans are to over-dredge the channel by six feet and then fill with stone. The authorization from Georgia Pacific to DePere was changed. Haen showed a map of the turning basin at Georgia Pacific and the area to be capped. Haen met with the EPA, Fox River Cleanup Group, WDNR, USACE, and others last Thursday to discuss the current change. The changes were made by the WDNR and, since an environmental project requires no permits, the USACE and Brown County were unaware of these changes.

Haen explained that allowing an environmental cap in the river at this time, could result in extreme, if not insurmountable, hardship for the Port in the future. Authorization to increase the depth of the channel has been received many times with the most recent authorization in 1987.

Haen noted that nothing will be done during this dredging cycle and no capping will occur for two to three years. Another meeting is scheduled July 29th at 1 o'clock at Tetra Tech on State Street and the Commissioners are invited to attend.

Michael Best & Friedrich as well as the Brown County Attorney have been made aware of this issue. The Commission suggested this information be given to the Press as well as the terminal operators and our legislators.

Manager Haen also questioned the WDNR's test results as far as the contamination levels. Currently the Bay Port CDF can accept PCB material up to 50 parts per million. The WDNR told the USACE they could not dredge in the East River turning basin because the pcb's were above 1 part per million. However, Haen noted these test results were from 2004 and that the channel had been dredged in 2005.

10) Audit of Bills – Request for Approval

A motion to place on file was made by Bill Martens and seconded. Unanimously approved.

11) Tonnage Report

Manager Haen noted the tonnage for down from last year.

12) Such Other Matters as are Authorized by Law

- *Bylsby*

Haen had no additional updates on the wetlands at the Bylsby property. Haen is still reading through the federal laws.

- *Expansion*

Haen indicated the Port continues to collect property acquisition funds from the 217 Agreement. Haen estimates funds at \$1.6M by the end of 2010.

- *Cat Island DMMP*

Haen indicated the DMMP has not yet been approved by the USACE. The Port did not receive the NOAA grant but will be applying for a HAP grant.

13) Adjourn

A motion to adjourn was made by Tom Van Drasek and seconded Ron Antonneau. Unanimously approved. Meeting adjourned at 12:40pm.

Neil McKloskey, President
Harbor Commission

Charles Larscheid, Director
Port & Solid Waste Department